

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 2
	TO LEASE NO. GS-04P-LFL60251
LEASE AMENDMENT	
ADDRESS OF PREMISES 5000 S. Washington Avenue, Titusville, FL 32780-7318	PDN Number: N/A

THIS AMENDMENT is made and entered into between Rutherford & Strickland Elkton, Inc.

whose address is: 362 Atwater Way
Madison, FL 32341

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease, effective July 6, 2017,

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended upon the Government's execution of this Lease Amendment (LA) to: increase the TIA in the Lease, increase the BSAC in the Lease, and increase the amount of the Notice to Proceed (NTP) issued in Lease Amendment #1 for the construction of Tenant Improvements for the [REDACTED] at 5000 S. Washington Avenue, Titusville, FL 32780-7318.

- I. The Tenant Improvement Allowance for the Lease has been increased; therefore, Lease Paragraph 1.08 (as amended by LA #1) is hereby deleted in its entirety and replaced as follows:

***1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)**

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$396,448.25. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 6.5 percent."

- II. As a result of the modifications outlined in Sections I above, the rent table in Lease Paragraph 1.03.A. is hereby deleted and replaced as follows:

This Lease Amendment contains 3 pages.

All other terms and conditions of the lease shall remain in force and effect.
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

FOR THE LESSOR:

Signature: [REDACTED]
Name: Walter Gene Rutherford Jr.
Title: Managing Member
Entity Name: Rutherford Strickland Elkton Inc
Date: 7/11/17

FOR THE GOVERNMENT:

Signature: [REDACTED]
Name: James F. Thompson
Title: Lease Contracting Officer
GSA, Public Buildings Service, [REDACTED]
Date: 7/12/17

WITNESSED FOR THE LESSOR BY:

Signature: [REDACTED]
Name: Caroline Wickerson
Title: Branch Mgr. BCPEN
Date: 7/11/17

*A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRM TERM (YEARS 1-2)	FIRM TERM (YEARS 3-7)	NON-FIRM TERM (YEARS 8-10)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ^{1,5}	\$325,587.35	\$325,587.35	\$325,587.35
TENANT IMPROVEMENTS RENT ²	\$70,844.42	\$70,844.42	\$0.00
OPERATING COSTS ³	\$127,814.76	\$89,809.84	\$89,809.84
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$23,658.08	\$23,658.08	\$0.00
PARKING ⁵	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$547,702.61	\$509,697.49	\$415,398.99

¹Shell rent calculation:

(Firm Term (Years 1-2)) \$15.88 per RSF multiplied by 20,498 RSF
 (Firm Term (Years 3-7)) \$15.88 per RSF multiplied by 20,498 RSF
 (Non-Firm Term (Years 8-10)) \$15.88 per RSF multiplied by 20,498 RSF

²The Tenant Improvement Allowance of \$396,448.35 is amortized at a rate of 6.5 percent per annum over 7 years.

³Operating Costs rent calculation:

(Firm Term (Years 1-2)) \$6.24 per RSF multiplied by 20,498 RSF (This includes \$38,005.12 annually for additional IT, Phone, and monitoring service).
 (Firm Term (Years 3-7)) \$4.38 per RSF multiplied by 20,498 RSF
 (Non-Firm Term (Years 8-10)) \$4.38 per RSF multiplied by 20,498 RSF

⁴Building Specific Amortized Capital (BSAC) of \$132,755.21 are amortized at a rate of 6.5 percent per annum over 7 years

⁵Parking costs described under sub-paragraph H below

⁶The 19,000 RSF of wareyard space is not reflected in the total rentable square footage description of the Premises*

III. As a result of the rent increase outlined in Paragraph 2 above, Lease Paragraph 1.04 is hereby deleted in its entirety and replaced as follows:

"1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Studley, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to Studley, Inc. with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$45,641.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

Month 2 Rental Payment \$45,641.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.*

Month 3 Rental Payment \$45,641.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.*

* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

IV. This Notice to Proceed increases the NOT-TO-EXCEED amount for Tenant Improvements from \$340,921.57 and Building Specific Amortized Capital (BSAC) in the amount of \$123,333.00, to \$396,448.25 for Tenant Improvements and \$132,755.21 for Building Specific Amortized Capital (BSAC). These amounts will be amortized at a rate of six-point-five percent (6.5%) over the seven-year firm term of the Lease in accordance with Paragraph 1.03 of the Lease.

V. In accordance with the Bids received, the maximum allowable cost for completion of the Tenant Improvement scope is \$395,417.34, and maximum allowable cost for completion of the BSAC scope is \$132,755.21. The increase in TI is allocable to the addition of more concrete area in the wareyard in the amount of \$35,815.14 (\$31,143.60 for materials and labor plus \$4,671.54 for Lessor's overhead, profit, and management fees (15%)). The increase in BSAC is allocable to the increase in scope for the IT/Data system in the amount of \$18,680.63 (\$16,244.03 for materials and labor plus \$2,436.60 for Lessor's overhead, profit, and management fees (15%)).

INITIALS: WBR
LESSOR

&

[Signature]
GOVT

- VI. In accordance with Lease Paragraphs 1.03.C and 1.09, the final amount of Tenant Improvement Rent will be determined once the Tenant Improvements are complete and accepted by the Government as evidenced by a fully executed Lease Amendment. The fully executed Lease Amendment confirming acceptance of the Tenant Improvements will contain the final rent table and commission credit.
- VII. By acceptance of this LA, the Lessor further substantiates that no further costs associated with the building shell items have been knowingly included in the tenant improvement pricing. If there are additional change orders to the original construction cost, they will also be incorporated by Lease Amendment and a notice to proceed will be issued.
- VIII. The Lessor waives all restoration rights.

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INITIALS: WGR & [Signature]
LESSOR GOVT